

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:) Chapter 11
)
W. R. GRACE & CO., et al.¹) Case No. 01-1139 (JKF)
) Jointly Administered
Debtors.)
Objection Deadline: December 11, 2002 at 4:00 p.m.
Hearing Date: TBD only if necessary

**FEE DETAIL FOR STEPTOE & JOHNSON LLP'S MONTHLY FEE APPLICATION
FOR THE PERIOD FROM AUGUST 1, 2002 THROUGH AUGUST 31, 2002**

¹ The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food 'N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

EXHIBIT A

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Professional services rendered in August 2002: Matter 46

08/02/02	M.D. Lerner	Prepare responsive email to Elise N. Filon re litigation questions.	0.30
08/05/02	B. Kaufman	Review of IRS NPA (Notice of Proposed Adjustment) to determine application of section 861 issue; review of revenue agent report calculations.	0.30
08/05/02	A.E. Moran	Review documents re Grace bankruptcy.	0.40
08/06/02	B. Kaufman	Meeting with A. Moran re: inclusion of section 861 argument in Response to IRS COLI NPA.	0.20
08/06/02	A.E. Moran	Meeting with B. Kaufman re alternative 861 argument.	0.20
08/06/02	A.E. Moran	Telephone call with B. Kaufman re COLI.	0.20
08/06/02	A.E. Moran	Telephone call with J. Gibbs/C. Finke re status.	0.40
08/06/02	B. Kaufman	Review of IRS COLI NPA and revenue agent's calculations.	0.50
08/06/02	A.E. Moran	Consider 861 issue (foreign tax).	0.40
08/06/02	B. Kaufman	Meeting with A. Moran re: COLI NPA and RAR (Revenue Agent Report) calculations.	0.30
08/07/02	A.E. Moran	Review email re 861 issue and respond.	0.30
08/07/02	A.E. Moran	Review new documents to be disclosed.	3.10
08/09/02	A.E. Moran	Telephone call with C. Finke re outstanding issues to respond to IRS.	0.10
08/12/02	B. Kaufman	Phone call with A. Moran re: phone call with C. Finke re: COLI Protest and addition of section 861 argument.	0.10
08/12/02	B. Kaufman	Phone call with C. Finke re: COLI Protest and addition of section 861 argument.	0.20
08/12/02	A.E. Moran	Review W.R. Grace protest to be sent to IRS.	1.60
08/12/02	A.E. Moran	Telephone calls to B. Kaufman re protest follow-up.	0.60
08/12/02	A.E. Moran	Telephone calls to C. Finke re protest.	0.40
08/12/02	B. Kaufman	Phone call with A. Moran re: COLI Protest and addition of section 861 argument.	0.20

08/13/02	A.E. Moran	Telephone call to C. Finke re protest.	0.10
08/13/02	A.E. Moran	Final check of protest to be sent to IRS.	0.40
08/14/02	B. Kaufman	Phone call with C. Finke and A. Moran re: filing of Grace protest in response to IRS proposed adjustment.	0.20
08/14/02	A.E. Moran	Follow-up on protest question.	0.10
08/14/02	A.E. Moran	Telephone call from B. Kaufman re protest.	0.10
08/15/02	B. Kaufman	Review section 861 issues.	0.20
08/15/02	M.D. Lerner	Conference call with W.R. Grace to discuss NPAs.	0.80
08/15/02	A.E. Moran	Office consult with B. Kaufman re COLI protests and next steps (appeals).	0.20
08/15/02	B. Kaufman	Meeting with A. Moran re: COLI appeals process.	0.30
08/16/02	B. Kaufman	Phone call with C. Finke re: supplemental Response to COLI NPAs to include short 1996 year and disallowed refund claim for 1990-92.	0.20
08/16/02	A.E. Moran	Respond to telephone call from C. Finke re protest.	0.20
08/16/02	A.E. Moran	Respond to telephone call re Camelot (CM Holdings) case.	0.10
08/19/02	A.L. Bailey	Further review of CM Holdings Third Circuit opinion; memorandum to client.	1.00
08/19/02	B. Kaufman	Editing of supplemental letter to IRS.	0.40
08/19/02	J.W. Johnson	Review and revise letter to IRS re COLI statement.	0.40
08/19/02	A.E. Moran	Telephone call with C. Finke re Camelot decision.	0.30
08/19/02	A.E. Moran	Office consult with B. Kaufman re protest, follow-up.	0.20
08/19/02	A.E. Moran	Review changes made to protest.	0.10
08/19/02	B. Kaufman	Meeting with A. Moran re: supplemental letter to IRS re: COLI NPA for short 1996 year and 1990-92 refund claims.	0.20

08/19/02	B. Kaufman	Meeting with W. Johnson re: status of COLI NPA response and CM Holdings decision.	0.30
08/19/02	B. Kaufman	Drafting of supplemental letter to IRS re: COLI NPA for short 1996 year and 1990-92 refund claims.	2.30
08/19/02	B. Kaufman	Review of supplemental letter to IRS with A. Moran.	0.20
08/19/02	B. Kaufman	Review of supplemental letter to IRS with W. Johnson.	0.30
08/20/02	B. Kaufman	Meeting with A. Moran re: supplemental letter to IRS.	0.20
08/20/02	B. Kaufman	Phone call with C. Finke re: supplemental letter to IRS.	0.20
08/20/02	A.E. Moran	Review materials in light of document disclosure request.	1.50
08/21/02	A.L. Bailey	Review of CM Holdings opinion for implications of opinion regarding the status of policyholder dividends and section 264 compliance.	0.50
08/22/02	A.E. Moran	Read Camelot (CM Holdings) decision.	0.80
08/22/02	A.E. Moran	Consider next procedural moves once protest filed.	0.20
08/25/02	J.M. Baxley	Review files of W.R. Grace to ensure all research documented.	0.30
08/26/02	A.E. Moran	Review court documents to be filed.	0.20
08/27/02	A.L. Bailey	Check with IRS regarding continued settlement of COLI cases post-CM Holdings Third Circuit opinion.	0.50
08/28/02	B. Kaufman	Meeting with A. Moran re: phone conference with E. Filon with respect to settlement of COLI issues with IRS Appeals.	0.20
08/28/02	A.E. Moran	Telephone call with E. Filon.	0.10
08/28/02	A.E. Moran	Telephone call with B. Kaufman.	0.20
08/29/02	A.E. Moran	Telephone call with C. Finke re split-dollar policies.	0.40
08/29/02	A.E. Moran	Review split-dollar issue for Carol Finke.	2.20

08/29/02	B. Kaufman	Conference call with E. Filon, C. Finke, T. Borders, A. Moran, C. Finke re: Ms. Filon's discussions with N. Regberg re: surrender issues, 861 issue, and bankruptcy issue and discussion of path for proceeding with settlement.	0.80
08/29/02	A.E. Moran	Meeting with B. Kaufman re settlement.	0.20
08/29/02	A.E. Moran	Conference with M. Mancini re split-dollar issue in light of law changes.	0.60
08/29/02	A.E. Moran	Review COLI settlement language and numbers.	1.60
08/29/02	J.W. Johnson	Teleconference re COLI settlement.	1.70
08/29/02	J.W. Johnson	Review of IRS COLI settlement closing agreement language.	2.00
08/29/02	A.E. Moran	Conference call re settlement.	0.80
08/29/02	A.E. Moran	Follow-up conference call re settlement.	0.40
08/29/02	B. Kaufman	Conference call with E. Filon, C. Finke, J. Gibbs, W. Johnson, Fresenius, and Sealed Air re: COLI 80/20 settlement and Ms. Filon's discussions with IRS Appeals.	1.50
08/29/02	B. Kaufman	Review of generic COLI 80/20 settlement closing agreement and transmission to E. Filon and C. Finke.	0.50
08/29/02	B. Kaufman	Meeting with A. Moran re: morning conference call and terms of closing agreement.	0.20
08/29/02	B. Kaufman	Preparation of sanitized closing agreement with surrender language for transmission to W.R. Grace.	0.30
08/29/02	B. Kaufman	Preparation for conference call with E. Filon and C. Finke re: settlement strategy.	0.40
08/29/02	M.A. Mancini	Review e-mail regarding split dollar arrangements	0.10
08/29/02	M.A. Mancini	Conference with a. Moran re W.R. Grace questions.	0.60
08/30/02	A.E. Moran	Review and respond to emails re settlement.	0.50
08/30/02	A.E. Moran	Review questions on split-dollar insurance and surrender issues.	2.40

08/30/02	B. Kaufman	Research re: requirements of waiver of ex parte communication prohibition between IRS Appeals and examination.	0.40
08/30/02	B. Kaufman	Drafting of letter to N. Regberg re: COLI settlement.	1.00

Name	Hours	Rate	Value
A.L. Bailey	2.00	465.00	930.00
J.W. Johnson	4.10	445.00	1,824.50
M.D. Lerner	1.10	425.00	467.50
A.E. Moran	21.60	375.00	8,100.00
M.A. Mancini	0.70	335.00	234.50
J.M. Baxley	0.30	300.00	90.00
B. Kaufman	12.10	270.00	3,267.00
Total	41.90		14,913.50

Total Fees – Matter 46 **\$14,913.50**

Disbursements:

Overnight Messenger	8.53
Duplicating	23.55
On-Line Research/Information Retrieval	91.23
Long Distance Telephone	12.54

Total Disbursements **\$135.85**

Total This Matter **\$15,049.35**

Professional services rendered in August 2002: Matter 32

08/15/02 A.E. Moran Check billing question on filing. 0.10

Name	Hours	Rate	Value
A.E. Moran	.10	375.00	37.50

Total This Matter \$37.50